

4/3
ITEL

RECORDATION NO. 1

5687A

Istel Rail Corporation

55 Francisco Street
San Francisco, California 94133
(415) 984-4000

June 8, 1988

JUN 13 1988 - 12 10 PM

INTERSTATE COMMERCE COMMISSION

Hon. Noreta R. McGee
Secretary
Interstate Commerce Commission
Washington, DC 20423

Date 6/13/88
Fee \$13
ICC Washington, D. C.

Re: Schedule No. 1 to Master Lease Agreement No. 2217-00 dated June 1, 1988, between Istel Rail Corporation, Istel Railcar Corporation and The Andersons

Dear Ms. McGee:

On behalf of Istel Rail Corporation, the above instrument, in four (4) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$13 recordation fee.

Please record this Schedule No. 1 under Master Lease Agreement dated June 1, 1988, between Istel Rail Corporation, Istel Railcar Corporation and The Andersons, which was filed with the ICC this date.

The parties to the aforementioned instrument are listed below:

Istel Railcar Corporation and
Istel Rail Corporation (Lessor)
55 Francisco Street
San Francisco, California 94133

The Andersons (Lessee)
P.O. Box 119
Maumee, Ohio 43537

This Schedule No. 1 relates to forty-one (41) 4427 cubic foot, 100-ton covered hopper cars which will bear (LO) USLX reporting marks.

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

Patricia Schumacker

Patricia Schumacker
Legal Department

JUN 13 1988 12 12 PM

LOT NO. 2217-01

INTERSTATE COMMERCE COMMISSION

SCHEDULE 1

THIS SCHEDULE 1 ("Schedule") to that certain Lease Agreement (the "Agreement") made as of June 1, 1988 between ITEL RAIL CORPORATION and ITEL RAILCAR CORPORATION, severally, as lessors, and THE ANDERSONS, as lessee ("Lessee") is made this 1st day of June, 1988, between ITEL RAILCAR CORPORATION ("Lessor") and Lessee.

Lessor and Lessee agree as follows:

1. All terms defined in the Agreement shall have the meanings defined therein when used in this Schedule.
2. Lessor hereby leases the following Cars to Lessee subject to the terms and conditions of the Agreement and this Schedule:

AAR Mech. Design.	Description	Reporting Marks and Numbers	Length	Dimensions Inside Width	Height	Door Width	Number of Cars
LO	4427 cu. ft. 100-Ton Covered Hopper	USLX (numbers to be determined)	49'6"	10'1"	--	--	41

3. A. The term of the Agreement with respect to each Car described in this Schedule shall commence at 12 noon on the date and at the location such Car is delivered pursuant to Section 4 hereinbelow, and shall continue as to all of the Cars described in this Schedule for sixty (60) months after the earlier of (i) the date on which the last Car described in this Schedule was delivered or (ii) sixty (60) days after the first Car described in this Schedule was delivered (the "Initial Term"). Upon the delivery of the final Car, Lessor shall notify Lessee in writing of the expiration date of the Initial Term. Unless Lessee, within fifteen (15) days of the date of such notice, demonstrates to the satisfaction of Lessor that such date is incorrect, then Lessee shall be deemed to have concurred to such date.
- B. If the Agreement has not been terminated early and no unremedied default has occurred and is continuing pursuant to Section 10 of the Agreement, the Agreement shall automatically be extended for five (5) consecutive periods of twelve (12) months each (each such period an "Extended Term") with respect to some or all of the Cars described in this Schedule, provided that Lessor or Lessee may terminate the Agreement effective as of the end of the Initial Term

or any Extended Term as to some or all of the Cars described in this Schedule by providing not less than ninety (90) days prior written notice to the other.

4. Each Car shall be deemed delivered and subject to the terms and provisions of the Agreement and this Schedule at 12 noon on the date such Car is delivered to The Andersons, Maumee, Ohio, the initial delivery point for such Car ("Delivery"). ~~Within Five (5) days~~ ^{ten (10)} after Lessor has given Lessee notice that Cars are ready for delivery, Lessee may have its authorized representative inspect such Cars at the point specified in the notice. Cars so inspected and accepted by Lessee and any Cars which Lessee does not inspect within such ~~Five (5)~~ ^{ten (10)} days shall, upon Delivery thereof, be deemed accepted and subject to the Agreement. At Lessor's request, Lessee shall deliver to Lessor an executed Certificate of Acceptance in the form of Exhibit A attached hereto with respect to all Cars. DDA
5. Lessee shall perform or cause to be performed and pay all costs and expenses associated with the maintenance of the Cars described in this Schedule. Subsections 5.B. and 5.C. of the Agreement shall not apply with respect to such Cars. DDA
6. Lessor shall be liable at all times for and shall pay all federal, state, or other governmental property taxes assessed or levied against the Cars. Lessee shall be liable for all sales, use or gross receipt taxes imposed upon the Cars during the term of this Schedule. In no case shall Lessee pay any income tax on Lessor's earnings from Cars.
7. Rent

A. The fixed rent ("Fixed Rent") shall be
per Car per month for each full calendar month
("Month") during the Initial Term or any Extended Term. The Fixed Rent for any Car which is not subject to the Agreement for an entire Month shall be prorated at
per day for such Car during such Month.

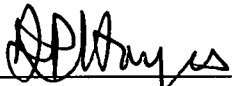
B. On the first day of each Month during the Initial Term and any Extended Term(s), Lessee shall pay the Fixed Rent to Lessor for such Month. All taxes reimbursable to Lessor pursuant to the Agreement shall be additional rent hereunder.

"Accounting Period" shall be defined as any consecutive twelve month period or applicable portion thereof commencing with the execution date of the applicable Schedule through any period during which the Agreement with respect to the Cars described in such Schedule shall expire or terminate. Time and mileage earnings paid or allowed by railroads with respect to the Cars shall be the property of Lessor, but Lessor shall credit time and mileage payments actually received by it during an Accounting Period, (less

taxes, other than income taxes, due or to become due on account thereof) against rent then or thereafter due under the Agreement with respect to Cars described in this Schedule during such Accounting Period, and any time or mileage earnings that exceed the aggregate rental rate shall be refunded to Lessee at the end of the Initial Term; provided, however, that Lessee shall not be in default under the terms of the Agreement.

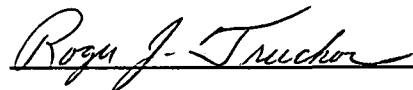
8. Except as expressly modified by the Schedule, all terms and provisions of the Agreement shall remain in full force and effect with respect to all Cars subject to the Agreement.
9. This Schedule may be executed by the parties hereto in any number of counterparts, and all said counterparts taken together shall be deemed to constitute one and the same instrument.

ITEL RAILCAR CORPORATION

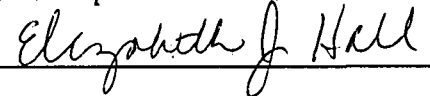
By: 
Title: President
Date: June 1, 1988

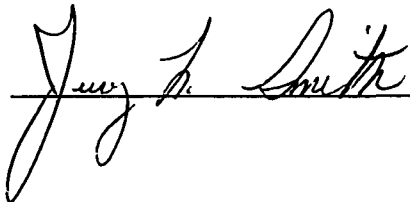
THE ANDERSONS,
an Ohio limited partnership

By: THE ANDERSONSMANAGEMENT CORP.,
an Ohio corporation, sole
General Partner in
The Andersons

By: 
Title: Director of Transportation

Signed and acknowledged
in the presence of:





LOT NO. 2217-01

EXHIBIT A

Certificate of Acceptance

Exhibit A to Schedule 1 dated as of _____ to Lease
dated _____, by and between ITEL RAILCAR CORPORATION
("Lessor") and THE ANDERSONS ("Lessee").

CERTIFICATE OF ACCEPTANCE

Itel Railcar Corporation
55 Francisco Street
San Francisco, California 94133

Ladies and Gentlemen:

The undersigned being a duly authorized representative of Lessee, hereby
accepts ("Cars") bearing reporting marks and numbers as follows:

The last day of the Initial Term for the above referenced Cars shall be

_____.

By: _____

Title: _____

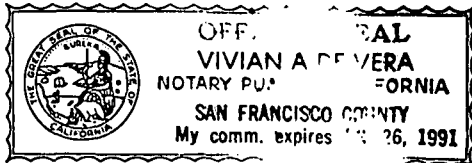
Date: _____

STATE OF SAN FRANCISCO)
) ss:
 COUNTY OF SAN FRANCISCO)



On this 15 day of JUNE, 1988, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of IteL Railcar Corporation, that the foregoing Schedule 1 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Vivian A. De Vera
 Notary Public



STATE OF OHIO)
) ss:
 COUNTY OF LUCAS)

Before me, a Notary Public, in and for said county and state, personally appeared Roger J. Truckor, the Director of Transportation of The Andersons Management Corp., an Ohio corporation, who acknowledged that said corporation is sole general partner of The Andersons, an Ohio limited partnership, and being thereunto duly authorized, did sign the foregoing Schedule 1 in behalf of said corporation and by authority of its board of directors on behalf of the partnership and that the same is the free act and deed of said officer and of said corporation and partnership.

In Testimony Whereof, I have hereunto set my hand and official seal at Maumee, Ohio, this 19 day of May, 1988.

Elizabeth J. Hall
 Notary Public
 ELIZABETH J. HALL
 My Commission Expires Attorney at Law
 Notary Public - State of Ohio
 My Commission has no Expiration Date.
 Section 147.03 O.R.C.